GOVERNMENT OF INDIA
RAILWAYS
LOK SABHA

UNSTARRED QUESTION NO:3844
ANSWERED ON:17.08.2000
PLACEMENT OF ORDERS FOR SUPPLY OF LOCO WHEELS TO ROMANIAN FIRMS
RAVINDRA KUMAR PANDEY

Will the Minister of RAILWAYS be pleased to state:

(a) whether Railway Board has placed orders to Romanian firms for supply of BG and MG loco wheels during September, 1996 to August, 1997;

(b) if so, the details thereof along with the expenditure incurred thereon;

(c) whether these firms had supplied inferior/defective wheels resulting into loss of crores of rupees;

(d) if so, the details thereof along with the loss suffered thereby; and

(e) the action taken/proposed to be taken by the Government in this regard?

Answer

(MINISTER OF STATE IN THE MINISTRY OF RAILWAYS)(SHRI DIGVIJAY SINGH)

(a) Yes, Sir.

(b) Details of orders placed on Romanian firms during September, 1996 to August, 1997 are as under:

i) Order no.97/RS(WTA)-349/Wheels/874/VII dtd. 26.6.97 for 19989 BG loco wheels on M/s Mecanoexportimport,Romania (Manufacturer SMR,BALS) at a total FOB value of US$ 8675226.

ii) Order no.96/RS(WTA)-149/Tender/351 dtd. 19.05.1997 for 1447 MG loco wheels on M/s Mecanoexportimport, Romania (Manufacturer SMR,BALS) at a total FOB value of US$ 536359.

(c) to (e) Two Romanian firms viz. M/s Di Apollo and M/s Mecanoexportimport (with the same manufacturer i.e. SMR, Bals) had supplied large number of wheels (around 70,000 wheels) prior to placement of order indicated in reply to part (b) without any quality problem.

It was only for the first time in September, 1997 that defects were noticed during assembly in 4 MG locomotive wheels received from Romanian firms. Immediately thereafter, all the wheels supplied by the Romanian firms against various orders, were re-inspected in the Indian Railways Workshops. After re-inspection, 1099 nos. both MG & BG loco wheels(about 3% of total supply) received from 1996 onwards had been rejected.

No Loss has been suffered as action has already been taken to recover the landed cost of such rejected wheels through available bank guarantees.

No order for loco wheels has been placed on Romanian firms after September, 1997.